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Last week NBC televised a prime-time documentary called "If Japan Can...Why Can't We?"

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As the title suggests, the film compared productivity in Japan with that in our country, and in some instances we did not look good in the comparison.

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But what's important to what we're going to be talking about today is that the NBC documentary not only told us something most of us in this room have known for a long time--that agriculture has been and continues to be a star performer in our economy--but gave us some reasons why.

The film made clear that the remarkable success of American agriculture is in large part due to the excellence of our agriculture research and to the widespread dissemination of the knowledge and techniques learned through research.

Starting in the 19th Century, this has been accomplished by a unique partnership arrangement between the U.S. Department of Agriculture, individual state and county governments, and the land grant colleges.

The success story of American agriculture told in that NBC documentary emphatically underscores the importance of maintaining and improving that unique research and extension relationship.

Now I make that point at the outset of my remarks because I want to dispel any doubt about USDA's commitment to that goal.

We want the relationship to remain strong, to remain compatible and mutually supportive, and to become even more productive in the years to come.

To get right to the point, there is no reason why the establishment of a balanced policy regarding federal funding of mechanization research, for example, should jeopardize that relationship.

Remarks prepared for delivery by Deputy Secretary of Agriculture Jim Williams at the first meeting of the Agricultural Mechanization Task Force, Room 2096 South Building, U.S. Department of Agriculture, Washington, D.C., Tuesday, July 1, 1980 at 1 p.m.

On the contrary, there is every reason to believe that such a policy would not only clarify the Federal research role but would make both planning and coordinating easier for our research partners.

When the issue of federal funding of mechanization research was first raised by Secretary Bergland early last winter, some saw this as evidence that the USDA was turning Luddite and intended to cut off all funding of mechanization research.

This, of course, is not the case. Secretary Bergland has made it clear that this is not his intent, nor the intent of the administration.

But he has also made it clear that simple fairness, budget austerity and new economic, resource, environmental, productivity and social realities demand tighter criteria in determining how, where and when to spend the federal mechanization research dollar to best serve the national interest.

For the sake of clarity, perhaps I ought to quote from the Secretary's definitive statement on this issue.

With regard to simple fairness, he said:

"I do not believe a federally financed research effort ought to benefit a small number of individuals, corporations or narrow interest groups to such an extent and in such a way as to make it possible, in time, for the beneficiaries to gain control of the farm to market structure, monopolize the sources of finance at every step, and increase their profits by selling what may well be an inferior product at a price that is insulated from competition."--end of quote.

With regard to budget austerity, he said:

"The tax base that provides federal funds--including those spent on research--is a national base. Since revenue is collected from taxpaying citizens of every region, state, county and local community, it follows that the revenue collected should be spent on research that promises to benefit the broadest base of citizens...Under present economic conditions and national security considerations, it is even more imperative that federal dollars be spent frugally, wisely and equitably to bring maximum benefit to the maximum number of citizens and minimum disadvantage to the fewest possible."

And with regard to new realities, he said:

"For the past 50 years or so, agricultural research, private as well as public, has concentrated on improving food and fiber productivity. Central to this effort was more and more reliance on cheap and abundant energy which made it possible to substitute mechanical power for human and animal power and to use petro-chemicals to keep the land productive and crops protected.

"We no longer have cheap and abundant supplies of energy. And we have learned that mechanical and chemical technology can exact a high price in terms of erosion, pollution and human health. Thus agricultural research and especially research funded with federal dollars must now respond to national priorities based on new--and often.... harsh-realities."

And the Secretary has also recognized, again and again, one more "harsh new reality," the fact that we are entering an era of sharply increasing demand for our nation's food and fiber at a time when we are reaching a "yield plateau" on many crops. Without accelerated basic research, we cannot hope to move off that "plateau" and achieve significant productivity gains.

All this considered, the Secretary believes that the federal money should be concentrated in research that is basic, sometimes long range, high risk in that it offers only limited prospects for an early return on investment, and anticipates and avoids counterproductive economic, environmental, and social effects.

In short, he believes that federal money should be focused on research areas where neither the state nor private enterprise can be expected to assume major responsibilities, and he lists these as examples: basic crop and animal research, energy, integrated pest management, food additives, human nutrition, aerospace technology to develop better information on how weather fluctuations affect crops, and non-point source pollution from water runoff from farmland.

When Secretary Bergland delivered his definitive statement on Federal funding of mechanization research, he announced that he would appoint a special task force to draw up criteria and a procedure for evaluating current and future mechanization research projects involving federal funds. The task force members were drawn from the National Agricultural Research and Extension Users Advisory Board and the Joint Council on Food and Agricultural Sciences. It is co-chaired by Susan Sechler, USDA's deputy director of Economics, Policy Analysis and Budget, and James Nielson, deputy director for Joint Planning and Evaluation in USDA's Science and Education Administration.

Every effort was made to have you, as task force members, represent the broadest possible range of interests and concerns with respect to the issue of federal involvement in mechanization research. That was done to insure, as much as possible, that the policy ultimately established by USDA is balanced and responsible.

Let me make this clear. The task force will not set policy. But it is charged with the responsibility of providing us with advice on deciding on the proper criteria, the elements that should go into the decision process, and the kind of information we should solicit from the land grant institutions and other outside sources to help us make the proper decisions for in-house funding of Agricultural Research projects.

Now before I close, and we get on with a discussion of where we go from here, I want to restate what I hope is already evident:

Any research funding policy adopted by the USDA will not alter the relationship between the Department and its other research and extension partners. The policy that will be developed with your advice and counsel will apply only to our own process of determining priority research funding--not to that of our other partners.

We will, of course, keep our partners informed so that they may understand our priorities, because this will help them decide where and how to use formula funds.

Finally, I want to emphasize, once more, that it will not be the policy of USDA to cut off all mechanization research funding. Our intent is to tighten the criteria for deciding what projects will be funded by determining precisely who will benefit and who will lose and how well or how poorly the national interest would be served.